

Escaping Poverty and Becoming Poor in 36 Villages of Central and Western Uganda

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ABSTRACT Twenty-four per cent of households in 36 village communities of Central and Western Uganda have escaped from poverty over the past 25 years, but another 15 per cent have simultaneously fallen into poverty. A roughly equal number of households escaped from poverty in the first period (ten to 25 years ago) as in the second period (the last ten years) examined here. However, almost twice as many households fell into poverty during the second period as in the first period. Progress in poverty reduction has slowed down as a result. Multiple causes are associated with descent into poverty and these causes vary significantly between villages in the two different regions. For nearly two-thirds of all households in both regions, however, ill health and health-related costs were a principal reason for descent into poverty. Escaping poverty is also associated with diverse causes, which vary across the two regions. Compared to increases in urban employment, however, land-related reasons have been more important for escaping poverty in both regions.

I. Introduction

According to the most commonly cited estimates, poverty in Uganda declined from 56 per cent in 1992 to 35 per cent in 2000, and a combination of economic growth and recovery from civil war damage are widely regarded to be responsible for this accomplishment (Appleton, 2001a; Collier and Reinikka, 2001; GoU, 2001). However, reduced poverty in the 1990s may have gone hand-in hand with increased inequality (Appleton, 2001b; Deininger and Okidi, 2003; Hickey, 2005) and the degree to which different segments of the population can take advantage of and benefit from further growth-induced opportunities is in doubt (Okidi and Mugambe, 2002; Mijumbi and Okidi, 2001; Ssewanyana et al., 2004). Poverty reduction may have slowed down after 2000 (Kappel, Lay and Steiner, 2005) and the extent to

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which 'sustained growth can facilitate an escape from poverty – even in the longer term – for those left behind is debatable' (CPRC, 2004: 67).

What needs to be done now for the one-third of the population left behind in poverty? A different set of strategies will most likely be required (Brock et al., 2002; Lwanga-Ntale and McClean, 2003), but it is not entirely clear what these strategies should be. Some insights have been provided by household surveys and participatory poverty assessments carried out in the past (GoU, 2002a; Lawson et al., 2003). Additional knowledge of a disaggregated nature is required, however, for identifying poverty-reducing and poverty-creating processes at work within different regions of the country (Jayne et al., 2003; Johnson, 2002; Woodhouse, 2003).

The present study was designed in order to identify these processes and fill some of the remaining gaps in poverty knowledge in Uganda. It utilises the Stages-of-Progress methodology that was developed and applied earlier in two parts of India and one region of Kenya (Krishna, 2004; Krishna et al., 2004; Krishna, 2005). Everything worth knowing about poverty cannot be learned using only one particular methodology. Different methodologies complement rather than compete with one another (McGee, 2004). The Stages-of-Progress methodology complements and enriches findings from household surveys and participatory assessments, and it adds significant new knowledge about processes and reasons.

Before applying this methodology extensively in two regions of Uganda, a feasibility study and pilot test was first carried out in February 2004 in Rakai district. Following refinements and adaptations, the Stages-of-Progress methodology (described in Section II) was implemented in 36 village communities of Western and Central regions.

Data presented in Section III show that poverty in these 36 villages has fallen overall from 47 per cent 25 years ago, to 37 per cent ten years ago, to 35 per cent at the present time. A significant gender gap persists, however: while 31 per cent of male-headed households are poor at the present time, 46 per cent of female-headed households are poor.

Escaping poverty and falling into poverty have gone hand in hand in these villages. A total of 24 per cent of village households have escaped from poverty over the past 25 years. Simultaneously, however, another 15 per cent of households have fallen into poverty in these villages.

While escaping poverty in these communities is associated with one set of factors, falling into poverty is associated with another and different set of factors. Two different sets of policy responses are required, therefore: one set to help promote households' escape from poverty, and another set to prevent descent into poverty. Factors associated with escaping poverty and falling into poverty are not similar between the two regions. Therefore, regionally differentiated policies are required for more effective poverty reduction.

Section IV discusses reasons associated with escaping poverty and falling into poverty, respectively. While ill health and high healthcare expenses are commonly and increasingly associated with descents in both the Western and Central regions, some other poverty-causing factors – including crop disease, land exhaustion, large family size, marriage expenses, and land division – vary significantly between the two regions.

Growth in industry and the urban sectors have not been the major removers of poverty in these villages. Commonly in both regions, land-related factors have been

associated with a much larger number of escapes from poverty, and finding regular employment has been associated with many fewer escapes. Because jobs have not been more significant, education also does not have a strong association with escaping poverty. The direct impact on poverty of these factors relative to others has also declined over time.

Section V concludes by discussing the policy implications of these results. Notably, descents into poverty have become more frequent in recent times, and even as growth has accelerated, poverty reduction has slowed down. Regular monitoring of factors associated with descent and with escape in each region will be required in order to keep policy interventions more current and relevant in future. A methodology for performing such exercises on a continuous basis is presented in the next section.

II. Methodology: Stages of Progress

A total of 36 villages were studied: six villages in each of three districts in the Western and Central regions of Uganda. A total of 2,631 households are resident in these villages, and following the participatory, community-based methodology described below, the poverty status of each household was ascertained for the present time, for 25 years ago, and for an interim period, ten years ago. The trajectory of each household was compiled in this manner, and reasons associated with these trajectories were examined for a random sample of 40 per cent of all households. Members of 1,068 households were individually interviewed to verify and elaborate upon information collected at a community meeting.

We selected three districts within each region, Central and Western, with the intent of covering a range of diversity. In the Central region, we selected Mukono, Luwero, and Ssembabule, while in the Western region, we selected Bushenyi, Kabale, and Ntungamo.¹ We conducted initial visits to the six district headquarters. We met and solicited support from the administrative and political leaders, and we selected 25 experienced Research Assistants (RAs) from among staffs of the community development departments of these districts.

Villages for study were also selected at this time in consultation with district officials. In each district, six villages were selected, two located near the district town centre, two located near a main road but not near the district town centre, and two located relatively far away from either a main road or the district town centre and are therefore relatively remote and hard to access. The selected villages represent quite well the considerable diversity that exists within the two selected regions; they are not, however, 'representative' in the statistical sense of this term.

The 25 selected RAs took part in a ten-day training exercise during which the methodology was explained and practised in detail. Training included two complete rehearsals of all steps of the methodology. Villages located close to the training centre were selected for these rehearsals. The RAs were then divided into four teams, with two teams assigned to each of the two regions. Members of each team were fluent in the local language of the region (Luganda for Central and Ruyankole and Rukiga for Western) and also in English. With the four teams working simultaneously and supervised closely by the authors, data was collected over a total period of 28 days.

The study in each village commenced with a community meeting. Dates for these meetings were determined in advance through prior consultations with the Local Council (LC1) chairperson of each village. Members of each village community attended in large numbers. Males and females were equally represented in most cases, and older villagers were also present in significant numbers. As the issues to be discussed were sometimes sensitive, deliberate efforts were made to encourage free, frank and open discussions.

A key aspect of introducing the study to community members was making clear that project staff did not represent any government or NGO programme, and emphasising that no 'beneficiaries' were to be selected; that is, no immediate material benefits (or losses) would be brought into the community as a result of the study. Members therefore were less likely to deliberately misrepresent any household's poverty status with the hope of attaining material gains.

The community meetings began with the research teams asking community groups to define the local terms that people apply to those whose conditions construed a clear and commonly understood state of poverty. In this study, the term *Omworo* came up most often in the west, while in the Central region the terms *Omwavu Lunkupe* or *Omwavu Lukyolo* were most often used.

Once community members' attention was focused on discussing poverty and its local characteristics, they were asked to delineate the locally applicable Stages of Progress that poor households typically followed while making their ways out of poverty. What does a household in your village usually do, we asked the assembled villagers, when it climbs out gradually from a state of acute poverty? Which expenditures are the very first ones to be made? 'Food,' was invariably the answer. Which expenditures follow immediately after? 'Some clothes,' we were invariably told. As more money flows in, what does this household do in the third stage, in the fourth stage, and so on? This process was continued until the community meeting had defined a progression of stages up to a point where a household was clearly very well off in the community's estimation. No more than 12 stages were defined in any village.

Lively discussions were held as villagers identified these stages, but the answers they provided, particularly about the first *four* Stages of Progress, were invariant across all villages in both regions. Table 1 presents the typical Stages of Progress reported in these 36 villages. The first four stages are exactly the same in all 36 villages.

It is hardly surprising that communities sharing common economic and cultural spaces should, in fact, report a common set of aspirations, represented in the locally applicable Stages of Progress that poor households typically follow on their pathways out of poverty. Poverty, like any other relational concept, is socially constructed and collectively defined, and the Stages of Progress provide a convenient and well-tested device to get closer to these communal definitions.²

Community groups were asked to identify two cut-off points on the progression of stages. The first cut-off denotes the stage after achieving which a household is no longer regarded as poor. It is equivalent to the concept of the poverty line commonly used in poverty studies in the sense that it enabled villagers to classify who was poor and who was not. Instead of being defined by outsiders, however, the poverty cut-off in this case was determined by villagers themselves. As Table 1 shows, the first cut-off was made in all villages after stage four. Basic needs had been met, including food, clothing, shelter and basic education, and the household could now begin to make small investments in housing, in small animals, or in a tiny plot of land.³

Table 1. Stages of progress

1. Food for the family	
2. Some clothes for the family	
3. Send children to school	
4. Repair the existing shelter (Roof with iron sheets)	<i>Poverty cut-off</i>
5. Buy small animals like goat, chicken, sheep, rabbits	
6. Buy a small piece of land	
7. Buy a bicycle for transportation	
8. Buy more land	<i>Prosperity cut-off</i>
9. Build permanent house	
10. Start operating a business of few farm products	
11. Buy a car/ build commercial property	

The second cut-off point, which was drawn after stage eight, denotes the prosperity line. Once a household has crossed beyond this cut-off, it is regarded as having left poverty quite far behind. In villages of the Central region it was quite common for the community to say that at this stage the household could be characterised as *oyo avudeyo*, meaning that it was now quite a distance away from poverty and could make significant investments.

The next step of the Stages-of-Progress methodology was to develop a complete list of all households in the village. This list was generated during the community meeting in some villages, while in other villages it was obtained beforehand through consultations with the LCI chairperson.

Next, researchers worked with the community assembly to identify a clearly understood and commonly remembered milestone to denote the time period of 25 years ago, and another such milestone to denote ten years ago. Establishing these milestones provided community members with a specific reference point, which they remember clearly, rather than referring to some particular year, which may have little meaning for many. During the pilot test and training exercises, communities had identified the coming to power of Obote II (in 1980) as the milestone for 25 years ago, while they regarded the Constituent Assembly elections (held in 1994) as the appropriate milestone for ten years ago.

Community groups were asked to identify each household's specific location along the Stages of Progress for each of the two milestones and also for the present time. Referring constantly to the Stages of Progress and to the household lists, community members were asked, for example, 'At what stage on the Stages of Progress was Nsubuga's household at the time the Obote II regime came into power (that is, 25 years ago)? What stage did these household members occupy at the time of the Constituent Assembly elections (that is, ten years ago)? At what stage are they now?' Community members participated enthusiastically in the discussions, and there was often considerable debate about the status of some particular household. The discussion continued until this information had been obtained for every household presently resident in the village.⁴

Based on this information, the research team categorised each household in the following manner:

- Category A: Poor 25 years ago and poor today (Remained poor)
- Category B: Poor 25 years ago but not poor today (Escaped poverty)
- Category C: Not poor 25 years ago but poor today (Became poor)
- Category D: Not poor 25 years ago and not poor today (Remained not poor)

Present-day households constituted the unit of analysis for this exercise. When asking about conditions at the present time we inquired about present-day households' members, and when asking about conditions in the previous time period we asked about conditions faced by these same members 25 years ago. In case of younger households, we asked about conditions in their parents' household 25 years ago.⁵

Once the categorisation was complete, a random sample of 40 per cent of households in each category was selected, and in-depth discussions were held with the community group regarding the reasons associated with each household in the sample – for moving into or out of poverty, as the case may be, or for staying poor or not poor. A comparative framework was adopted for these inquiries. After completing this step, the community meeting was concluded.

Interviews with individual members of the selected households followed the next day. These interviews were conducted to verify, validate and complement the information provided by the community group. Household members were interviewed in the privacy of their homes. The stages and reasons provided by the community group were verified separately with each household in the sample. Additional household-level information was also obtained at this time, including information on demographic features and assets owned. Rarely was a single reason responsible for descent or escape, and multiple reasons were usually associated with each household's trajectory. Up to five reasons were recorded for each selected household.

III. Trends in Escape and Descent

On average in these 36 villages, 45 per cent of all households lived in poverty 25 years ago, 37 per cent were poor ten years ago, and 35 per cent are poor at the present time. Overall, poverty has fallen consistently over this period, and the average figure at present for these 36 villages – 35 per cent in poverty – is the same as the average figure for the entire country (Deininger and Okidi, 2003; Lawson et al., 2003), suggesting that these villages are not dissimilar in terms of poverty from other areas in the country.

Table 2 shows that of the total of 2,631 households resident in these 36 villages, 20.4 per cent were poor 25 years ago and they are also poor today, and 40.6 per cent were not poor 25 years ago and they are not poor today. Twenty-four per cent of households escaped poverty during this time, and another 15 per cent simultaneously fell into poverty, making for a net poverty reduction of 9 per cent over the 25-year period. While the large numbers escaping poverty, 24 per cent, are heartening to observe, the substantial numbers who fell into poverty during the same period give cause for concern.

It is useful to examine the relationship that the four categories utilised in this methodology have with some other indicators of poverty, more often utilised within

Table 2. Trends in household poverty in 36 villages

Region	(A ₂₅) Remained poor over the past 25 years	(B ₂₅) Escaped poverty over the past 25 years	(C ₂₅) Became poor over the past 25 years	(D ₂₅) Remained not poor over the past 25 years	Poor 25 years ago	Poor today
All 36 villages	20.4	24.0	15.0	40.6	44.4	35.4
Central (18 villages)	12.8	28.6	14.5	44.0	41.4	27.3
Western (18 Villages)	28.9	18.8	15.5	36.8	47.7	44.4

academic discourse. Land ownership is quite often considered an index of wealth in rural settings, and land ownership is closely associated with the categories of poverty utilised here. Households classified under Category A (remained poor over 25 years) possess, on average, just 1.19 acres of land. Households of Category B (escaped poverty) and Category D (remained not poor) possess more land: 2.09 and 2.48 acres, respectively, while households of Category C (became poor) possess 1.58 acres on average.

Ownership of other assets is also similarly distributed among these four separate categories. Household were asked about ownership in respect of ten different types of assets, including animals, radios, household furniture, and so on. Households of Category A possess, on average, 3.3 of these ten assets, while households of Categories B, C, and D possess, respectively, 5.4, 3.8 and 5.8 assets on average.

There is, in fact, a monotonically increasing relationship between a household's present stage and its average number of assets. Notice that average number of assets increases quite sharply when households move beyond the first and also the second poverty cut-offs.⁶ Other visible characteristics – housing type, cattle ownership, education levels – also align neatly with a household's position on the Stages of Progress. How well any household is doing in terms of material achievement is thus reflected quite by well by its recorded stage.

Community members in these villages were quite certain that those households that they had identified as poor in terms of the Stages of Progress were indeed the ones who are poor in their villages. Such households consider themselves to be poor, and they are also considered as such by other people in their village. Their strategies for a better life are built around these everyday understandings of poverty that they share with fellow villagers, and it is these understandings and the strategies to which they give rise that underpin households' efforts to deal with poverty as they know it (Chambers, 1995).

The stages also serve as a useful heuristic device. Communities are able to assign households to particular stages quite easily and without confusion or stigma, and communities that have lived together for reasonable periods of time are also able to recount the stages different households had achieved at a previous point in time. Recall can be quite imperfect for an earlier period, thus the methodology relies on retracing large steps that are better remembered, rather than finer distinctions, which

Table 3. Stages of progress and asset ownership

Household's stage at the present time	Average number of household assets (out of 10)
1	2.46
2	3.08
3	3.58
4	4.08
5	4.94
6	5.24
7	5.55
8	5.71
9	6.42
10	6.72
11	7.31
12	8.01

are more easily forgotten. Each movement upward along the Stages of Progress represents a significant improvement in material and social status. People remember, for instance, whether their household possessed a bicycle or a radio set at the time when the Constituent Assembly elections were held, whether they lived in a house that had iron sheets or plain thatch, and whether they could afford to send their children to school or not. By seeking recall data in terms of these clear, conspicuous and sizeable referents, the Stages-of-Progress method adds reliability to recall.

Table 4 considers two separate time periods, with the *first period* running from 25 years ago to ten years ago, and the *second period* from ten years ago to the present time. A total of 13 per cent of households escaped from poverty during the first time period (11.9 per cent + 1.1 per cent), while a total of 12.2 per cent escaped poverty during the second time period, that is, an almost equal proportion of households have escaped from poverty during these two separate time periods.

On the other hand, many more households *fell into* poverty during the second compared to the first time period. Only 5.6 per cent of households fell into poverty in the first time period (Row 2 + Row 4 of Table 4, or 3.7 per cent + 1.9 per cent), however, as many as 10.9 per cent have fallen into poverty during the second time period (Row 3).

The pace of economic growth in Uganda was faster in the second time period compared to the first time period (for example, Collier and Reinikka, 2001), and we had expected that poverty reduction would also have been faster in the second time period. However, because descents have been almost twice as frequent in the second time period compared to the first time period, the pace of poverty reduction has slowed down in recent times.

Trends in other villages and regions of Uganda might be similar. Using data from the Uganda National Household Surveys, Kappel, Lay and Steiner (2005: 28, 49) detect 'an increase in poverty between 1999–2000 and 2002–2003,' that is, 'from 7 million to 9 million in only three years' for the entire country. Results of participatory poverty assessments also suggest that movements into poverty have increased in recent years (McGee, 2004). It seems worthwhile to examine in future

Table 4. Escape and descent over two time periods

CAT.25	CAT.10	Poverty status in three time periods	Percent of households			Total (36 villages)	Implication
			Central (18 villages)	Western (18 villages)	Total (36 villages)		
1 A ₂₅	A ₁₀	Poor in all three periods	11.7	27.9	19.4	Chronic poor	
2 C ₂₅	A ₁₀	Fell into poverty in the earlier period, and remained poor	3.4	4.0	3.7	Relatively few descents occurred in the earlier period. Most descents occurred in the later period.	
3 C ₂₅	C ₁₀	Fell into poverty in the later period	11.2	10.6	10.9		
4 D ₂₅	B ₁₀	Fell into poverty in the earlier period, and rose back in the later period	3.0	0.6	1.9	About one-third of those who fell into poverty in the first period came back up again in the later period	
5 B ₂₅	D ₁₀	Escaped poverty in the earlier period, and remained not poor later	14.4	9.0	11.9	Escapes have occurred equally in both periods	
6 B ₂₅	B ₁₀	Escaped poverty in the later period	14.2	9.8	12.2		
7 A ₂₅	C ₁₀	Escaped poverty in the earlier period, and fell back into poverty later	1.2	1.0	1.1	Relatively few who escaped poverty fell back into poverty in the later period	
8 D ₂₅	D ₁₀	Not poor at any time	40.9	36.2	38.8	Chronic non-poor	

studies why higher volatility has gone together with greater liberalisation and commercialisation, especially since the late 1990s.

Gender disparity has also worsened during the second period. While 10.4 per cent of male-headed households fell into poverty during this period, 17.6 per cent of female-headed households joined the ranks of the poor.

Some comfort can be taken from observing that of all households that fell into poverty during the first period (5.6 per cent) about one-third (1.9 per cent) were able to overcome poverty during the second time period. The majority of these households, two-thirds, remained poor at the end of the second time period, however, indicating that falling into poverty is not merely a temporary inconvenience.

Some households that escaped from poverty during the first period have also fallen back into poverty in the second time period. Fortunately, relatively few households experienced such reversals. Of 13.3 per cent of households that escaped from poverty in the first time period, less than one-tenth (1.1 per cent) fell back into poverty during the second time period.

These averages for all 36 villages conceal the very substantial differences, however, that exist from village to village. In as many as 16 of the 36 villages that we studied, net poverty has increased over the 25-year period.⁷ Villages such as Kitinda (Ntungamo district) where household poverty increased by 53 per cent, Yandwe (Luwero district) where it increased by 38 per cent, and Katooma Central (Bushenyi district) where it increased by 29 per cent, are particularly worrying in this respect.⁸

Providing more effective assistance for those who have been left behind in poverty – and for those who have actually become poor over the past ten or 25 years – will require addressing separately the reasons for escape and for descent. These reasons are discussed in the next section.

IV. Factors Associated with Escape and with Descent

Previous studies of poverty dynamics provide important clues about some factors associated with decline and ascent in Uganda. Participatory poverty assessments conducted in 36 sites in 1998 and in 60 additional sites in 2002 suggest that alcoholism, large family size, ill health, and expenses on dowries and funerals can be important reasons for descending into poverty. Separately, Deininger and Okidi (2003) and Lawson (2004) also found ill health to be significantly associated with descent into poverty. Bird and Shinyekwa (2003) found multiple correlated reasons associated with descent, including ill health and drunkenness. Respondents to surveys have also indicated several other factors that are associated in their view with ascent out of poverty, including multiple income sources, access to employment, land and start-up capital, and higher education and skills (GoU, 2002a; Lawson, et al. 2003; Lwanga-Ntale and McClean, 2003).

Reasons for escape and descent identified by these studies served as a starting point for our investigations. Many among these reasons were confirmed by the random sample of 1,068 households whom we interviewed. However, some among these reasons were not validated by the experiences and trajectories that we examined. On the other hand, some other reasons were also identified that have not been recognised by previous studies.

While previous studies have relied upon the collective opinion of villagers regarding factors associated with escape and descent, this study matches factors and causes to the actual experiences of specific households. Reasons for escape and descent were identified through community meetings in each village and they were verified and cross-checked with members of each selected household. The methodology used here provides an opportunity to examine the relative frequency, magnitude, and statistical significance of these factors, while at the same time identifying additional factors and processes of change, thereby complementing knowledge obtained through other methods.

Eight factors are associated with decline in a household's material circumstances. These eight factors form three separate clusters. Ill health, healthcare expenses, and death of income earners form the first and numerically most important cluster. The second cluster is related to social and behavioural factors, including family size, funeral and marriage expenses, alcoholism and laziness. The third cluster includes all land-related factors, especially land division, crop disease, and land exhaustion.

Health and health-related expenses are the single most important reason associated with descending into poverty. More than 70 per cent of households that fell into poverty (Category C) cited ill health and healthcare expenses as the most important part of the process leading to their descent. Deaths of income earners, which have occurred mostly on account of disease, are important in the case of another 35 per cent of such households. As examined later, the impact of these health-related factors on descent has become even more deleterious during the second period (the last ten years) compared to the first period (ten to 25 years ago).⁹

Twenty-five years ago my welfare was good. My husband was still alive and we had enough land and animals. My husband was sick for ten years before he died and all the money we had was spent on medical charges. We even sold some animals and land to raise money for treatment. Our welfare became worse because we were left with small land and few animals. My children had dropped out of school because we could not pay school fees. Then my husband died and the small land we had left was shared among my sons. My welfare became even worse because I was left with a very small piece of land and I can't even get enough food to eat. Now I work as a casual labourer on other people's farms. (Female respondent, Kikoni village, Ntungamo district, Western Region) I lost my husband who had a government job as a pharmacist to sickness. I used to grow some crops for cash but now I am ever sick and the little I get from my garden I use for buying drugs. Some of my grandchildren are sickly and I may tell you some of my children died of AIDS. (Female respondent, Katega village, Mukono district, Central Region)

Social and behavioural factors, including family size, age of household head, funeral and marriage expenses, alcoholism and laziness, constitute the second cluster. These factors were examined because they are frequently brought up in poverty analyses. Large family size was quite important for descent in these 36 villages. In all, 39 per cent of households that have fallen into poverty over the

25-year period mentioned large family size as a critical factor associated with this decline. This factor was also significant in regression analysis, presented below.

None of the other factors in the second cluster are significantly associated with descent. Funeral and marriage expenses are not significant for this analysis. Drunkenness is also not significant, as seen below in regression analysis. Alcoholism is, no doubt, a serious social ill, and we came across evidence of considerable drunkenness in many villages that we visited. It does not appear to be associated preponderantly with households that have suffered a decline in their circumstances, and households that have improved their status provide evidence of drunkenness as much as households that have declined. Drunkenness does not emerge consequently as a factor particularly associated with descent. Laziness is similarly not important for this analysis, and it is unfortunate that people should ever consider it to be so.¹⁰

The third cluster of significant factors are all land related. Crop disease, land exhaustion, and land division are all importantly associated with descent into poverty.

My father died and I had to drop out of school because of lack of school fees. My father's land was divided among my brothers and myself, and the piece I inherited is too small for me to earn enough income from crops or animals. Furthermore, coffee has been affected by the wilt and further reduced my income. Now my family depends on casual labour and hiring land from other people to grow crops. (Male respondent, Kikoni village, Ntungamo district, Western Region)

Crop disease was an important factor in the case of 19 per cent of all households that have fallen into poverty. Another 8 per cent of all Category C households mentioned land exhaustion as a factor critically associated with their experiences of falling into poverty. Division of land is also associated with households' decline. Regionally disaggregated analysis (presented later) shows that this factor is more relevant to the Western experience, and not very relevant to households of Central villages.

Business loss is another factor associated with descent. It was particularly relevant to the experience of households in the Central region, as we will see below in disaggregated analysis. The term, business losses, as used here is related most often with loss of income from commercial crops, and these losses arise, in turn, from price changes or due to crop disease and/or land exhaustion.¹¹

Logistic regression analysis helped to further confirm these findings. The analysis in Table 5 is restricted only to Category C and Category D households, that is, all those who were not poor 25 years ago. The intent is to discern why some previously non-poor households fell into poverty, while other non-poor households continued to remain not poor.¹²

Odds ratios reported in Table 5 should be interpreted in the following manner. For variables that are significant, an odds ratio greater than one indicates that the related factor tends to accelerate descent, while an odds ratio lower than 1 indicates that the related factor tends to avert or deter descents into poverty.

Consider, for instance, the odds ratios associated with each of the three health-related variables belonging to the first cluster, namely, ill health, healthcare

Table 5. Results of binary logistic regression for falling into poverty (Households that were not poor 25 years ago, i.e., Category C and Category D households)

	Coefficients	Odds ratios (95% Wald Confidence Limits)
Intercept	-1.14**	
Ill health	0.34**	1.40 (1.31-2.70)
Healthcare expenses	0.95**	2.60 (1.43-4.72)
Death of income earner	0.63*	1.87 (1.02-3.43)
Age of household head	-0.16*	0.98 (0.97-0.99)
Large family size	0.96**	2.61 (1.48-4.58)
Marriage expense	0.99*	2.71 (1.10-6.62)
Drunkenness	1.23	<i>n.s.</i>
Laziness	0.33	<i>n.s.</i>
Business loss	1.61*	4.99 (1.66-15.05)
Land division	0.72*	2.07 (1.13-4.61)
Land exhaustion	1.21**	3.32 (1.20-5.21)
Crop disease	0.34**	1.35 (1.13-3.80)
Land improvement	-1.61*	0.20 (0.05-0.76)
Diversification	-3.39***	0.04 (0.01-0.13)
Business gain	-1.03*	0.36 (0.13-0.94)
Job (government)	-0.44	<i>n.s.</i>
Job (private)	-1.18*	0.31 (0.10-0.91)
Education	-0.03	<i>n.s.</i>
Distance to market	-0.03	<i>n.s.</i>
Distance to health centre	0.20***	1.22 (1.10-1.36)
-2 Log likelihood	739.03	
Likelihood ratio Chi-square	340.94	
P>Chi-Square	<0.0001	
N	553	

*: statistically significant at 0.05 level.

**: statistically significant at 0.01 level or better.

***: statistically significant at 0.0001 level or better.

n.s.: not significant.

expenses and death of income earner. These odds ratios are, respectively, 1.40, 2.60 and 1.87. These odds ratios imply that, everything else remaining equal, the odds of descent were enhanced by 40 per cent (1.40 minus 1.00), on average, for households that experienced one or more episodes of ill health. Correspondingly, the odds of descent were 160 per cent greater when high healthcare expenses were experienced, and they increased by 87 per cent when the death of major income earner occurred. Notice that the variable, distance to health centre, is also significant in the analysis. For residents of villages located more than five kilometres distant from a health centre the likelihood of falling into poverty is greater by 22 per cent on average.

Among the factors in the second cluster, only age, large family size, and marriage expenses are significantly associated with descent into poverty. None of the other factors in the second cluster is significantly associated with descent. Drunkenness is not significant. Laziness is also not significant for this analysis.

Age of household head is significant, and higher age goes together with a slightly diminished likelihood of falling into poverty, indicating that lifecycle effects do

matter somewhat. The impact of age is quite slight, however; other variables continue to matter when life cycle effects are considered, and many among them matter considerably more.

Four factors included within our third cluster are all significantly associated with descent. The likelihood of a household falling into poverty is enhanced by, on average, 399 per cent, 232 per cent, 107 per cent, and 35 per cent, respectively, when the household concerned experienced business loss, land exhaustion, land division, or crop disease.

Table 5 also shows that some factors have worked in the opposite direction. Five significant factors – including age, diversification, business gain, land improvement, and private sector job attainment – have odds ratios lower than one, which indicates that the presence of these factors reduces the likelihood of falling into poverty. For instance, the likelihood of falling into poverty was lower by 96 per cent (0.04 minus 1.00), on average, for a household that undertook diversification of income sources. Similarly, the likelihood of falling into poverty was reduced, on average, by 80 per cent, 64 per cent, and 69 per cent, respectively, when land improvement, business gain, and private sector job attainment formed part of a household's reported trajectory. By preventing or offsetting the effects of factors that exert a downward pull, these positive factors enabled Category D households to retain their non-poor status.

Factors responsible for households' falling into poverty have to be considered alongside other factors that help households escape from or stave off poverty. While these two sets of factors are quite different from each other, individual households are simultaneously susceptible to factors belonging to both sets. Where any households land up eventually is the net result, therefore, of both sets of factors.

Examining the experiences of households that escaped from poverty shows that the same set of four positive factors – including land improvement, diversification of income sources, gain from business (mainly commercial crops), and obtaining a private sector job – is significantly associated with movements upward, out of poverty.

Among all households of Category B, that is, those who escaped from poverty over the 25-year period, 27 per cent cited diversification of income sources as a principally important factor. Households that were able to vary their sources of income were more likely to escape poverty than those who could not.

My husband died in the war in Luwero. I started brewing waragi and got a reasonable amount of money from it and was able to start up a small piggery project. The project is still paying me very much. I also generate some money from making and selling mats and baskets. (Female respondent, Katega village, Mukono district, Central Region)

Land-related factors, especially improving productivity and diversifying into commercial crops, were comparatively much more important in both these regions of Uganda. Business gains were often associated with such land-related activities (as also found by Kappel, Lay and Steiner, 2005). These two factors were significantly associated with escape for 38 per cent of Category B households.

After the war I worked so hard in agriculture. I grew a lot of coffee, which had a market then and sold it. Now the most selling item is bananas, which make local brew and I am seriously doing that. The difference between other banana growers and me is that I make the beer myself instead of selling the bananas. Therefore, I earn more. (Male respondent, Lwanda village, Luwero district, Central Region)

Jobs in the private sector were a factor for ascent for many fewer Category B households – only 9 per cent in all. These findings indicate that contrary to conventional wisdom on this subject, employment creation is not always the major pathway out of poverty.

Table 6 reports the odds ratios from logistic regressions that compare the experiences of Category A households (those which have remained poor) and Category B households (those which have escaped from poverty). The focus here is to examine why some previously poor households escaped from poverty, while other poor households continued to remain poor.

Table 6. Results of binary logistic regression for escaping from poverty (Households that were poor 25 years ago, i.e., Category A and Category B households)

	Coefficients	Odds ratios (95% Wald Confidence Limits)
Intercept	0.02**	
Ill health	-2.03**	0.13 (0.03–0.62)
Healthcare expenses	-3.40***	0.03 (0.01–0.17)
Death of income earner	-3.21***	0.04 (0.01–0.21)
Age of household head	0.02	<i>n.s.</i>
Large family size	-1.62**	0.20 (0.06–0.61)
Marriage expense	-2.49**	0.08 (0.02–0.40)
Drunkenness	-0.83	<i>n.s.</i>
Laziness	-1.91	<i>n.s.</i>
Land exhaustion	-0.39*	0.57 (0.42–0.87)
Crop disease	-1.76*	0.17 (0.04–0.77)
Land improvement	1.54**	4.67 (1.81–12.06)
Diversification	4.04***	56.79 (10.75–299)
Business gain	2.24***	9.49 (3.19–27.85)
Job (government)	1.71*	5.51 (1.12–27.11)
Job (private)	1.26*	3.58 (1.03–12.32)
Education	0.63	<i>n.s.</i>
Distance to market	-0.06	<i>n.s.</i>
Distance to health centre	0.08	<i>n.s.</i>
-2 Log likelihood	671.15	
Likelihood ratio Chi-square	457.12	
Pr > Chi-Square	< 0.0001	
N	494	

*: statistically significant at 0.05 level.

**: statistically significant at 0.01 level or better.

***: statistically significant at 0.0001 level or better.

n.s.: not significant.

Notice that the likelihood of escaping from poverty is substantially higher, on average, for households that have experienced land improvement, diversification, business gains, or obtained jobs in the government or private sector. These odds ratios imply, for instance, that for a household which was poor in the previous period the likelihood of escaping poverty increased by 5.5 times in cases where a household member obtained a job in the government. However, members of only 33 households in all were lucky enough to obtain a government job. Even though the likelihood of escaping poverty increased a great deal when this factor was present, this factor was present overall for only a small number of households. Private sector jobs similarly represent a substantially increased likelihood of escaping from poverty. However, relatively few poor households (only 9 per cent in all) have been able to find this pathway to escape.

Notice also that the factors previously found to be significantly associated with descent – including ill health, healthcare expenses, death of income earners, large family size, marriage expenses, land exhaustion and crop disease – are also significant in this analysis of escaping poverty.¹³ The presence of these factors has acted as a dampening effect upon the prospects for escape. Households of Category A (remained poor) have experienced these negative factors more often than have households of Category B (escaped poverty), and their non-escape is accounted for as much by the absence of positive factors as by the presence of negative ones.

More disaggregated analysis shows that factors of escape and descent are significantly different across the two separate regions. They have also changed somewhat from the first time period (ten to 25 years go) to the second time period (present time to ten years ago).

More reasons for descent have begun to operate during the second time period, and the overall pace of poverty reduction has slowed down. Household poverty fell by 9 per cent during entire 25-year period. Reduction over the past ten years has been just 1.6 per cent in all.

Table 7 presents the disaggregated picture for the two regions and the two separate time periods. Separate regression analyses were carried out for each separate region and time period. To facilitate brevity and enable comparison, only odds ratios for statistically significant variables are reported.

Factors that were significant for descent in the first time period have continued to remain significant during the second time period. However, several additional factors have also become significant for descent in the second time period. It should come as no surprise, therefore, that almost twice as many households fell into poverty during the second period as compared to the first.

None of the three factors in the first cluster – ill health, healthcare expenses, and death of income earner – was significant for descent in Western villages during the first period, and only one of these three factors, healthcare expenses, was significant during the earlier period in Central villages. During the past decade, all three of these factors have become significant for descent in both regions.

The second cluster of descent-related factors included large family size and marriage expenses. The figures in Table 7 show that none of these factors was significantly associated with descent in the first time period in either the Central or the Western region. During the second time period, however, large family size

Table 7. Disaggregated regression analysis: two regions and two time periods

	Odds ratios (95% Wald confidence intervals in brackets)	
	Central Region (18 villages)	Western Region (18 villages)
First period (25 years ago to ten years ago)		
<i>Factors with negative effect</i>		
Ill health	Not significant	Not significant
Healthcare expenses	0.79 (0.48–0.93)	Not significant
Death of income earner	Not significant	Not significant
Large family size	Not significant	Not significant
Marriage expense	Not significant	Not significant
Land division	Not significant	0.38 (0.21–0.66)
Land exhaustion	Not significant	Not significant
Crop disease	0.37 (0.22–0.61)	Not significant
Business loss	0.44 (0.22–0.87)	Not significant
Distance to health centre	0.92 (0.85–0.97)	Not significant
<i>Factors with positive effect</i>		
Diversification	Not significant	Not significant
Job (private sector)	2.23 (1.30–3.84)	2.20 (1.21–4.03)
Land Improvement	Not significant	2.35 (1.39–4.00)
Business gain	2.00 (1.34–2.98)	Not significant
Second period (ten years ago to present time)		
<i>Factors with negative effect</i>		
Ill health	0.40 (0.25–0.65)	0.57 (0.34–0.77)
Healthcare expenses	0.49 (0.29–0.63)	0.41 (0.26–0.65)
Death of income earner	0.45 (0.28–0.74)	0.56 (0.35–0.89)
Large family size	Not significant	0.35 (0.22–0.56)
Marriage expense	0.46 (0.21–0.84)	Not significant
Land division	Not significant	0.38 (0.23–0.63)
Land exhaustion	Not significant	0.30 (0.13–0.68)
Crop disease	0.48 (0.29–0.77)	0.26 (0.12–0.56)
Business loss	0.48 (0.25–0.91)	Not significant
Distance to health centre	0.89 (0.84–0.95)	Not significant
<i>Factors with positive effect</i>		
Diversification	2.19 (1.46–3.14)	Not significant
Job (private sector)	Not significant	3.13 (1.75–5.58)
Land Improvement	1.58 (1.09–2.50)	1.72 (1.06–2.78)
Business gain	Not significant	Not significant

became a significant factor of descent in Western villages, while marriage expenses were significantly associated with descent in villages of Central region.

The third cluster includes land-related factors: land division, land exhaustion, crop disease, and business losses (mostly from commercial crops). Here the story is more mixed. Land division played a key role in decline in the Western region in both time periods, but was not significant for Central villages at either time. Land exhaustion became significant in the Western region in the last decade, but has not been an issue in the Central region in either time period. Crop disease has remained a significant

factor of descent during both time periods in Central villages. In Western villages, however, this factor only became significant in the past decade. Business loss was a significant factor of descent during both time periods in Central villages, but it was not significant during any period in Western villages.

Factors related to ascent also differ across the two regions. In the Central region, these factors have changed considerably between the two time periods, whereas in the Western region, the same two factors were significant in both time periods.

In villages of Western region, jobs in the private sector and land improvement were associated with ascent during both time periods. Private sector jobs and business gains were significant for ascent in Central villages during the first time period. In the second time period, private sector jobs lost significance, while diversification of income sources gained significance in the Central region. In most cases, diversification in these villages has involved additional activities related to commercial crops, animals and retail trade. In relatively few cases, diversification has also involved taking up a position or a trade within the informal economy.¹⁴

Private sector jobs have lost the earlier significance that they had in Central villages. Even in general, the contribution made by private sector jobs has declined overall. Among all households in both regions that escaped from poverty over the entire 25-year period, private sector jobs were mentioned as an important factor in the case of only 58 households. Forty-two of these 58 households, 73 per cent, escaped poverty during the first period, while only 27 per cent did so during the second time period.

Business gains and business losses were most often related to land and commercial agriculture. Business loss, which was a factor of decline in Central but not in Western villages, reflects the risks and volatility that accompany such commercial enterprises, especially commercial crops such as coffee. Many families in Central villages have fallen into poverty on account of failed ventures, while others have struck lucky from undertaking ventures of essentially the same kind.

Two other factors need to be discussed in relation to ascent. First, it is important to note that government anti-poverty programmes were not significant in any of the 36 villages studied. In fact, only a handful of households of all categories identified government assistance as significant within their trajectories of the past 25 years.

Second, the role of education is also noteworthy. Even though it does not achieve significance in statistical analysis, education was, in fact, associated with quite a few cases of ascent from poverty. Nearly 9 per cent of all ascending households mentioned education as an important factor. In almost all of these cases, however, a job in the private sector or in government was another important factor. Education has contributed successfully to poverty reduction, but only in those cases where the educated have also found jobs. Others who got education but did not find jobs have remained poor, indicating that increasing education without enlarging opportunities does not constitute a reliable pathway out of poverty (Deininger and Okidi, 2003: 505).

V. Conclusion

Progress in poverty reduction is not a one-way street, with households only coming out of poverty. Measures to help lift households out of poverty address only one side of the problem. Future poverty policies will need to consider not only those who

have been 'left behind' by growth, but must also pay deliberate attention to the significant numbers of households that continue to fall into poverty.

Escapes from poverty occurred at roughly the same rate in the two time periods. However, nearly twice as many households fell into poverty in the last decade as compared to the earlier period. While 5.6 per cent of households fell into poverty in the first period, 10.9 per cent fell into poverty during the second period. As a result of this increased pace of descents, poverty reduction in these two regions of Uganda has slowed over the past ten years, even as national economic growth has accelerated.

Different sets of factors are associated, respectively, with movements upward, out of poverty, and movements downward, into poverty. Therefore, different policy measures will be required for dealing with these two separate sets of factors. In addition to cargo nets, which help carry households out of poverty, stronger safety nets will also be required that can prevent or slow down descents into poverty (Barrett, 2005; Devereux, 2002; Lipton, 1997).

Policies aimed at controlling descent will – and should – have some common aspects across both regions. However, more region-specific policies are also needed that address specific factors associated with the distinct geographic, cultural and socio-economic conditions of each separate region.

Slowing descent that has accelerated in recent years will require dealing urgently with three sets of negative factors. Ill health, high healthcare expenses, and the associated deaths of major income earners constitute the first of these three sets. These factors have contributed principally to households' descent into poverty in both regions – and they have become more significant for descent within the last ten years. Providing better and more affordable healthcare will therefore constitute a major part of the response to poverty-causing factors in both regions.

Other studies point similarly to the role played by health-related factors. Lawson (2004) and Deininger and Okidi (2003) similarly found ill health to be significantly associated with descent, with the latter study also indicating how sickness has increased in all regions of the country between 1992 and 1999. Infant mortality remains high and has not improved over the past five years (GoU, 2002b). Sickness is a very important reason for children dropping out of school and frequent school absences (Mijumbi and Okidi, 2001), and a close relationship exists between poverty and disability (Lwanga-Ntale, 2003).¹⁵ Distance to health centres plays an important role in a household's ability to fend off sickness and poverty. While the location of the facility is not the only means of reducing vulnerability to poverty on account of ill health, it does have a significant impact (Okwi, 1999).

It is quite likely that AIDS has an important part to play in the increased significance of ill health between the first period and the second. We do not have any direct evidence about AIDS and its effects in these villages. Our method does not permit an examination of which particular illness is associated with each particular case of descent into poverty. It would be important, however, to examine better in future the associations that particular diseases have in different regions with pathways leading into poverty.

We examined the likely impact of HIV/AIDS indirectly, however, by constructing an interactive variable multiplying together the variables for large family size and death of income earner. This interactive variable was significantly

associated with descent in both regions during the second time period (though not in the first time period). Okidi and Mugambe (2002) find evidence of a similar interaction between AIDS incidence and large family size. As many as 1.4 million children have been orphaned by AIDS in Uganda, and the households that have taken in these children have grown in size and become more vulnerable to poverty.

AIDS is not, however, the only cause of death or debility. Malaria continues to account for more deaths than AIDS (Hutchinson, 2001), so dealing with ill health as a reason for deepening poverty will require doing more than controlling AIDS and alleviating its effects in terms of increased dependence ratios.

Land and socially related factors must also be considered when formulating policies to control descent into poverty. Dealing with these two other clusters of negative factors will require more regionally differentiated responses. For example, while land exhaustion was salient for descent in Western villages, it was not significant in Central villages. Reducing future descents will require focusing on mitigating this factor in the Western region, while working to prevent its occurrence in Central villages. Analysis by Pender et al. (2004) suggests that soil fertility appears to have degraded throughout most of Uganda, while Olson and Berry (2003) indicate that large percentages of land in each region face acute degradation, with this percentage going as high as 90 per cent in Kabale district.

Cultural practices also vary between the two regions, giving rise to different factors associated with decline. Division of land and large family size are more salient for decline in Western compared to Central villages. Marriage expenses have the opposite effect, however, being significantly associated with material decline in Central but not in Western villages. Region- and even district-specific policies will be required to address these factors better.

A different set of policies will be needed to assist households in their efforts to escape from poverty. More focus on land-based policies for supporting escape will also be of considerable utility. Nearly 70 per cent of all households escaping poverty over the past 25 years were assisted in this transition by increased incomes derived from commercial cropping and diversification on agricultural land. However, concerns related to crop disease and land exhaustion must be addressed if this avenue out of poverty is to remain viable.

Less than 10 per cent of households escaping poverty over the past 25 years were assisted in this achievement by obtaining a job in the private sector. Indeed, the importance of private sector employment has diminished from the earlier period (ten to 25 years ago) to the more recent period (the past ten years).

Policies must stay current with these changes in order to remain relevant and to be more effective. Policies must also be differentiated significantly for different regions and districts, suggesting that causes associated with escape and descent will need to be studied more regularly on a decentralised and localised basis.

The Stages-of-Progress methodology is helpful for these purposes. In addition to examining the status and various characteristics of different households, it also enables an examination of the *processes* that accompany households' escape or descent. Positive reasons – those which help pull households upward – can be identified along with negative reasons, which push households downward, and

policies can be formulated to address both sets of reasons as they operate within any specific region.

The application of this method within these 36 villages in Uganda shows that poverty policies will have to concentrate better upon expanded and more easily accessed rural health services, improved agricultural research and extension, and better incentives for private sector development. Preventing descents more effectively by focusing on the negative factors will be as important as promoting escapes through attending to the positive factors.

Why people fall into poverty needs to be known much better, and why only some people (and not others) are able to benefit from opportunities generated by growth also needs to be investigated more closely. Suitable methodologies need to be developed for figuring out better the processes that are associated with escape and descent at the micro level. The Stages-of-Progress methodology was developed with this purpose in mind, and it is currently being adapted and implemented in different parts of the developing world. Not only analysts, but also communities, can utilise these methods on their own to track poverty in their midst, to isolate reasons for escape and for descent, and to develop strategies to deal with these reasons.

Some limitations will need to be addressed, however, as this methodology is extended further. First, it will need to deal better with intra-household differences, particularly those based on gender. In its present form, the methodology does not disaggregate further below the household level.¹⁶

Second, the methodology will need to be adapted for dealing better with newly formed communities, particularly those in large cities. Because it relies upon commonly shared community memories, this methodology works better among more longstanding and close-knit communities. Such communities are easier to find in rural areas, and they are less prevalent in metropolitan areas, which limits the reach of the methodology in its present form.

Third, in order to understand poverty comprehensively in any region it is important to use multiple methods, including household surveys, panel studies, and participatory appraisals. Each method enables us to learn better about different aspects of poverty, and none can entirely replace the learning that accrues from another method.

Combining multiple methods in a single study will also help to validate results derived from each of them. Thus, single-period poverty statistics from the Stages-of-Progress method can and should be checked against results from conventional household surveys. At the same time, changes in poverty over time as indicated by repeat household surveys should be verified in terms of processes and reasons identified by a Stages-of-Progress study.

Because studies using different methods are undertaken in dissimilar spaces, it is not possible at the present time to compare results and obtain more comprehensive information on poverty and its causes.¹⁷ We end, therefore, with a plea for a new set of more eclectic studies, concerned simultaneously with issues of 'how much' (poverty there is at some point in time) and issues of 'why' (households fall into or come out of poverty in some region). Studies combining different methods will contain in-built cross-checks on data and methods, they will be richer in terms of information provided, and more relevant for policy formation than any single-method study can ever be.

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Notes

1. Initial interviews with key informants suggested the inclusion of these particular districts for the following reasons: In Central region, Mukono is often regarded as a model district in terms of growth and poverty reduction, and it is also located close to the capital city, Kampala. Ssembabule is most remotely located in this region. Luwero has a history of insurgency; it was the epicentre of the prolonged bush war. In Western region, Bushenyi has a concentration of plantation agriculture, particularly coffee and bananas. Kabale has relatively high population density, mountainous terrain, and diverse agriculture, while cattle farming dominates the economy of Ntungamo district. Districts in these regions are considerably diverse, and selecting districts for diversity seemed appropriate in this context.
2. Later Stages of Progress beyond the first four were also very similar in these 36 villages. Some discrepancies arose, but they relate to the ordering of these later stages and not so much to their identification. Commonly shared Stages of Progress were also similarly reported when similar investigations were carried out in village communities of India and Kenya (Krishna, 2004, 2005; Krishna et al., 2004).
3. In five villages of Central region, community groups added 'household utilities,' that is, a basic few pots and pans, as an additional stage after Send Children to School and before Repair the Existing Shelter. The poverty cut-off in these five villages was drawn after stage five consequently. This additional stage did hardly anything to change the identity of households identified as poor: adjusting for it affected the classification of only three out of 494 households in these villages.
4. Villagers were usually not reticent about either their own or other households' situations along the Stages of Progress. Poverty is not stigmatised in these villages, as it is, for instance, in the West, and it is regarded as resulting from misfortune more than personal failure. The researchers did not label or otherwise segregate those who were found to occupy a stage below the poverty cut-off, and making clear that no material benefits would follow from this exercise removed the incentive for deliberate misrepresentation. The researchers also stressed that the respondents' names and material status would be held in confidence.
5. Some studies consider households of the previous time period as their unit of analysis, the Stages-of-Progress method does the reverse, considering households of the present time as its unit of analysis. This method fails to capture households of 25 years ago from which no single member survives in the community, and some bias is likely to arise on this account. Local inquiries revealed that this 'survivorship bias' affected both ends of the household distribution. A few households that no longer remained in these villages had done extremely well by migrating to cities. Some others that had done extremely poorly had also entirely vanished leaving no trace behind. Permanent migration out of these villages has been relatively small, however, affecting less than 3 per cent of all households.

6. There is an interesting correspondence, thus, between the Stages-of-Progress methodology and the asset-based framework of Barrett and Carter (2004).
7. We met with Uganda Bureau of Statistics (UBoS) officials to find whether other researchers had also come across similarly large downward trends in these or other villages. While we could not obtain any comparable village-level data from them, recent research by Kappel, Lay and Steiner (2005) and McGee (2004) provides similar evidence of a downward trend.
8. We examined a host of village-level features, including distance to market, population size, type of school facility, and so forth, but apart from distance to health centre none of the others was significantly associated with higher or lower poverty reduction.
9. An analysis of household panel data for 1992–99 similarly found ill health and death of income earners on account of illness to be particularly associated with descent into poverty (Lawson, 2004).
10. For an interesting examination of 'laziness' as a factor that is uncritically associated by some analysts with abiding poverty in rural Africa, see Whitehead (2000).
11. Coffee is particularly important in this respect. Place, Ssentzeza and Otsuka (2001: 229) notes that 'while the average profit is higher for coffee, its variance is also higher'. Many respondents associated coffee cultivation with greater risk of loss and enhanced volatility.
12. Table 6 presents the complementary analysis of escaping from poverty. Category A and Category B households are considered here, to examine why some (but not other) previously poor households were able to escape from poverty. Independent variables were selected for both sets of analyses based on the previous analysis of interview and frequency data. Some variables (for example, ill health) can be alternately both causes and effects of poverty, thus these results should be interpreted with caution, especially to the extent they are not otherwise validated by household interviews and other data.
13. Age, or lifecycle effect, which was marginally significant (at the 5 per cent level though not at the 1 per cent level) while examining falling into poverty in Table 5, is not significant for the analysis of escaping poverty presented in Table 6.
14. Okidi and McKay (2003) also identify diversification as an important factor of ascent. Investigations conducted in other parts of the developing world similarly reveal the role that diversifying income sources has played for assisting households' escapes from poverty. See, for example, Ellis (2000) and Krishna (2004, 2005).
15. Uganda is hardly unique in this respect. In eight other African countries, studied by Christiaensen et al. (2002), ill health is also significantly associated with descent. Fabricant et al. (1999: 181–4) present evidence from a range of countries, which demonstrates how poorer households spend a much greater proportion of their incomes on healthcare. Sinha and Lipton (1999: 39) indicate how, in general, poorer households are exposed to different and more serious illness, injury and consequent costs. Macinko, Shi and Starfield (2004) demonstrate how the same is true within wealthy industrialised countries.
16. Intra-household differences based on gender can be investigated perhaps through incorporating an adapted version of the method used by Ravnborg, Boesen and Sorensen (2004).
17. For instance, only a very small number of households are studied in any village that is selected in national sample frames used for conventional household surveys. On the other hand, the Stages-of-Progress method considers all households in each studied village, and it ranks their poverty status in comparison with one another. This mismatch between study sites and study design makes it difficult at present to compare, combine and validate results from different studies.

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